

June 15, 2011

VIA ELECTRONIC FILING

Ms. Marlene Dortch
Secretary
Federal Communications Commission
The Portals
445 12th Street SW
Washington DC 20554

Re: *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42; *Federal State Joint Board on Universal Service*, CC Docket No. 96-45; *Lifeline and Link Up*, WC Docket No. 03-109

Dear Ms. Dortch:

On June 14, 2011, Melissa Newman of CenturyLink spoke separately to Zac Katz of Chairman Genachowski's office and Margaret McCarthy of Commissioner Copps' office to discuss how CenturyLink communicates to Lifeline consumers that they are being de-enrolled from the Lifeline program. In response to a request for similar information from other major wireline eligible telecommunications carriers (ETCs), AT&T, Verizon, and CenturyLink (collectively, "Wireline ETCs") provide the following information.

Under the Commission's rules, ETCs operating in so-called federal default states (i.e., states that do not mandate Lifeline support) are required "to verify annually the continued eligibility of a statistically valid random sample of their Lifeline subscribers."¹ Many non-federal default states have similar annual verification obligations, which require ETCs to verify the continued eligibility of some number of their Lifeline customers on an annual basis. Lifeline customers who do not respond to the ETCs' requests for required information or who respond that they are no longer eligible for Lifeline-supported service are de-enrolled from the Lifeline program. Section 54.405(d) of the Commission's rules requires ETCs to allow Lifeline customers 60 days to demonstrate continued eligibility before terminating their Lifeline-supported service.²

In satisfaction of their federal or state annual verification requirements, and after selecting Lifeline subscribers to demonstrate continued eligibility, the Wireline ETCs mail those subscribers a letter notifying them that they must demonstrate their continued eligibility for the Lifeline program within 60 days of the date of the letter; otherwise, they will be de-enrolled from the Lifeline program and will lose their Lifeline discount. In these letters, the Wireline ETCs

¹ 47 C.F.R. § 54.410(c)(2).

² 47 C.F.R. §54.405(d).

provide a toll-free number so that consumers may call with any questions, including what will their rate increases be without the Lifeline discount and when will the increase be reflected on the consumer's bill. While we are aware that a few states require additional customer notification, the overwhelming majority of the states where the Wireline ETCs operate (federal default and non-federal default states alike) require no further customer notification prior to Lifeline de-enrollment.

Although not required by federal or state annual verification rules, some of the Wireline ETCs in some of their states send follow-up letters to non-responders or include bill messages that inform the subscribers that their Lifeline discount has been removed. While the percentage of non-responders varies among the Wireline ETCs and by state, it is fair to say that, for all of the Wireline ETCs, it is uncommon for de-enrolled Lifeline subscribers to contact the ETC, or any other authority, about the resulting increase to their bills. This is true even in states where the Wireline ETCs de-enroll a sizable percentage of Lifeline subscribers through the annual verification process.

Finally, on behalf of the group of ETCs and associations that filed a proposed Interim Lifeline Duplicate Resolution Process with the Commission on April 15, 2011,³ we inform the Commission that we support permitting the third-party entity that will assist the Universal Service Administrative Company in this process to call affected consumers to remind them that they must select only one Lifeline provider and to allow consumers to make their selection on that call.

Sincerely,

/s/ Mary L. Henze

Mary L. Henze

AVP - Federal Regulatory
AT&T

/s/ Melissa Newman

Melissa Newman

VP – Federal Relations
CenturyLink

/s/ Alan Buzacott

Alan Buzacott

Executive Director – Federal Regulatory
Verizon

³ See Letter from USTelecom, CTIA, AT&T, CenturyLink, Cox Communications, Inc., General Communication, Inc., Nexus Communications, Inc., Sprint Nextel Corp., TracFone Wireless, Inc., Verizon Communications Corp., to Marlene Dortch, FCC, WC Docket Nos. 11-42, 03-109, CC Docket No. 96-45 (filed April 15, 2011) (corrected ex parte cover letter filed on April 26, 2011).